

Resolution to Reallocate Hotel Occupancy Taxes

August 31, 2017 City Council Meeting

Item #60

What does this proposal do?

1. Allows Tourism to Pay for Itself

- * Optimizes spending from HOT revenue for investment in parks, historic places, and local business
- * Ensures that the impact from tourists who visit these attractions are covered by tourist revenue

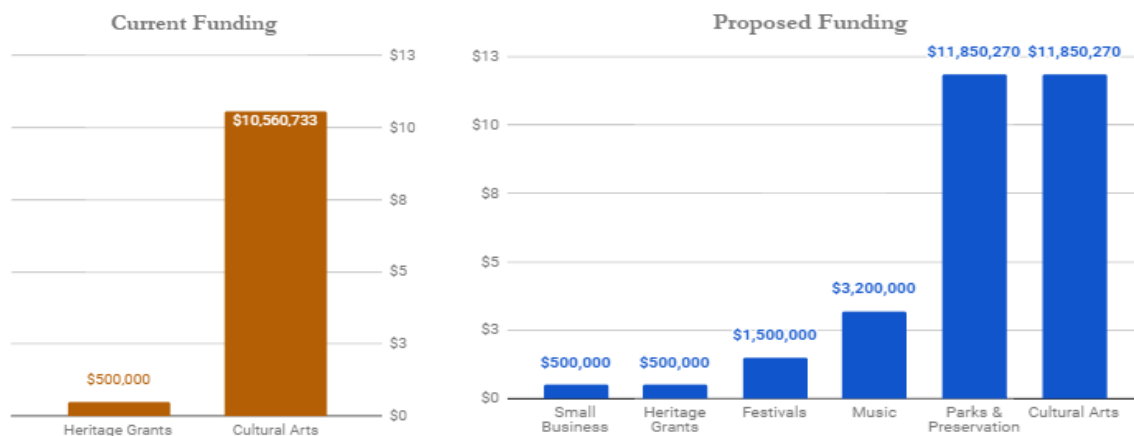
2. Frees up \$18m in Funding for Community Priorities

- * By covering eligible, existing expenses (currently paid for by property taxes) through HOT revenue, this proposal frees up significant general fund dollars that can be spent on homelessness, music, parks, reducing property taxes, or other priorities chosen during the budget process

3. Preserves the Right to Improve Venues

- * This proposal does not increase HOT levy, preserving the ability of council and/or voters to expand the Convention Center or invest in other community venues, such as the Travis County Expo Center, MACC, and Palm School.

New funding for Parks, Preservation, Music, Festivals, and Small Business



Funding for Parks, Preservation, Music, Festivals, and Small Business = \$17.1m
General Fund Offset = \$13.4m

Questions to Address ---

- Does this plan approve expansion of the Convention Center?

No. The Convention Center expansion is a separate issue that will be considered separately.

- How does this plan impact the Mayor's Downtown Puzzle?

No. Each component of the Mayor's Downtown Puzzle can be and should be considered regardless of how the City chooses to best invest the *existing* hotel taxes included in this proposal.

- Is there funding for homelessness?

This frees up \$13M+ in general fund dollars to be used for Council priorities, like homelessness.

- Does this take funding away from the Cultural Arts Program?

No. The Cultural Arts Program maintains its 15% allocation of hotel taxes and increases its budget.

- What about other venues such as the Travis County Expo Center, the MAAC, Palm School, etc?

This maintains the City's ability to invest in these other venues.

If you have additional questions, please contact our office: District8@austintexas.gov (512) 978-2108